

DOCKET SECTION

BEFORE THE POSTAL RATE COMMISSION

POSTAL RATE AND FEE CHANGES, 1997

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RESPONSE OF UNITED PARCEL SERVICE WITNESS KEVIN NEELS TO QUESTIONS POSED AT HEARINGS BY UNITED STATES POSTAL SERVICE

(March 9, 1998)

During cross-examination of UPS witness Kevin Neels, counsel for the Postal Service asked Dr. Neels to provide (1) citations to econometric studies published by Dr. Neels, and (2) a citation to the source in which the value "81" referred to in Dr. Neels' Workpaper III and in USPS/UPS-T1-10 is calculated. Tr. 28/15758-59, 15760. Dr. Neels' responses to those questions are attached.

Respectfully submitted,



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**RESPONSE OF UNITED PARCEL SERVICE
WITNESS KEVIN NEELS TO REQUEST OF
UNITED STATES POSTAL SERVICE AT HEARINGS**

1. Please provide citations to econometric studies you have published. (Tr. 28/15758-59)

RESPONSE: See Attachment A.

ECONOMETRIC PUBLICATIONS

Articles

"Forecasting Intermodal Competition in a Multimodal Environment." With Joseph Mather. *Transportation Research Record* 1139, 1987.

"Modeling Mode Choice in New Jersey." With Joseph Mather. *Transportation Research Record* 1139, 1987.

"Direct Effects of Undermaintenance and Deterioration." With C. Peter Rydell. In *The Rent Control Debate*. Ed. Paul L. Niebanck. Chapel Hill, NC: University of North Carolina Press, 1985.

"Reducing Energy Consumption in Housing: An Assessment of Alternatives." *International Regional Science Review* 7, 1 (May 1982).

"Production Functions for Housing Services." *Papers of the Regional Science Association* 48 (1981).

"The Effects of Urban Development Patterns on Transportation Energy Use." With Melvin D. Cheslow. *Transportation Research Record*, No. 764 (1980).

Reports

Energy Use in Housing. Santa Monica, CA: The Rand Corporation, March 1983. R-3030-DOE.

Rent Control, Undermaintenance, and Housing Deterioration. Santa Monica, CA: The Rand Corporation, June 1982. P-6779. With C. Peter Rydell.

The Impact of Rent Control on the Los Angeles Housing Market. Santa Monica, CA: The Rand Corporation, August 1981. N-1747-LA. With co-authors.

Measuring Capital's Contribution to Housing Services Production. Santa Monica, CA: The Rand Corporation, February 1981. P-6587. With C. Peter Rydell.

Families, Houses, and the Demand for Energy. Santa Monica, CA: The Rand Corporation, February 1981. N-1542-HUD.

Determinants of Spatial Variations in the Cost of Living. Santa Monica, CA: The Rand Corporation, February 1980. P-6444.

The Impact of Beltways on Central Business Districts: A Case Study of Richmond. Washington, D.C.: The Urban Institute, April 1978. URI 21500. With co-authors.

An Empirical Investigation of the Effects of Land Use on Urban Travel. Washington, D.C.: The Urban Institute, June 1977. WP-5049-17. With co-authors.


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2. Please provide the source for the calculation of the value of 81 shown in the single unnumbered page in Dr. Neels' Workpaper III and referred to in USPS/UPS-T1-10, Tr. 28/15670. (Tr. 28/15760)

RESPONSE: The number 81 shown in column 5 of the single unnumbered page of Neels Workpaper III represents the average number of observations per facility in the MODS direct data for manual flats and manual letters. It was calculated by dividing the number of records for those activities in that data set by the number of facilities in that data set. This simple calculation was carried out by hand; hence, there is no program to which one can be referred for details.

DECLARATION

I, Kevin Neels, hereby declare under penalty of perjury that the foregoing answers are true and correct to the best of my knowledge, information, and belief.

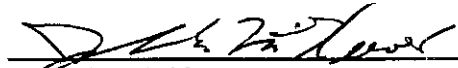
A handwritten signature in cursive script that reads "Kevin Neels". The signature is written in black ink and is positioned above a horizontal line.

Kevin Neels

Dated: March 6, 1998

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with section 12 of the Commission's Rules of Practice.



John E. McKeever

Dated: March 9, 1998
Philadelphia, PA